MEMORANDUM

TO: Gallatin County Commission

CC: Gallatin County Planning Board

Earl Mathers, County Administrator

FROM: Gallatin County Planning Department

RE: Summary of Growth Policy Implementation Policy Decisions Made

By County Commission on January 22, 2008

The purpose of the hearing was for the Commission to review and make decisions on the following policy matters related to the Growth Policy Implementation Program and DRAFT Countywide Zoning Regulations (hereafter referred to as "the Regulations. In some instances (as a result of public comment or additional information that has been received since previous direction was given) the Commission was asked to revisit decisions made throughout the Growth Policy implementation process.

The direction given by the Commission does not enact or otherwise adopt any specific provision; rather the direction provides guidance to the Planning Department for the purpose of creating DRAFT documents. When drafting is complete, the DRAFT documents will be made available to the public and opportunities for public comment will be scheduled. Public hearings will take place as part of the adoption process.

1. Regulations.

A. Should the Regulations include any specific requirements or standards for specific uses?

Commission Policy Direction: The Commission voted 2:1 to not include specific requirements or standards for specific uses (above and beyond the minimum language necessary to fulfill the requirements of Montana Law).

B. As an alternative to regulating specific uses, should the Regulations include a threshold that will require review of major development projects and uses?

<u>Commission Policy Direction:</u> The Commission voted 2:1 to include a threshold in the Regulations that will trigger review of major development projects and uses without specifying specific uses that will be regulated.

2. Affected Area.

A. Will the Commission's program include existing Part 2 ("201") zoning districts?

Commission Policy Direction: There was agreement among the Commission to not include existing zoning districts within the jurisdiction of the "Countywide" Regulations. The specific motion included items 2A (No), 2B (No), 2C (delay decision) and passed 2:1.

B. How does the Commission desire to deal with planning jurisdictions for Manhattan and Belgrade?

Commission Policy Direction: The Commission decided to keep working with Manhattan and Belgrade, especially in terms of interlocal agreements that help foster a market for TDCs, but not to include their respective planning jurisdictions within the jurisdiction of the Regulations at this time. The specific motion included items 2A (No), 2B (No), 2C (delay decision) and passed 2:1.

C. How are we going to deal with the neighborhood planning efforts that are underway?

Commission Policy Direction: The Planning Director suggested delaying a decision on this item until the Planning Department has an opportunity to talk to the people within the communities that are currently working on neighborhood plans. The Commission ultimately agreed. The specific motion included items 2A (No), 2B (No), 2C (delay decision) and passed 2:1.

3. Density.

A. Should future development be regulated in terms of "density" or in terms of "minimum lot size"?

Commission Policy Direction: All three Commissioners agreed the regulation should be based on "density" and not "minimum lot size". The specific motion included items 3A (Density) and 3B (1:160*) and passed 2:1.

B. Is the density still one unit per 160 acres for the purpose of the draft Regulations?

Commission Policy Direction: Commissioner Skinner expressed his concerns about 1:160 density (that landowners basically perceive this to be 1:320 because if you have 319 or fewer acres you have to do a cluster or neighborhood plan in order to develop) and said that he was ok with 1:160 if we could develop some ways to address those landowner concerns. The specific motion included items 3A (Density) and 3B (1:160*) and passed 2:1.

- 4. Rural Cluster Development Program.
 - A. How does the Commission desire to deal with the open space created through RCD projects in terms of the mechanism to preserve open space and the length of time the open space must be preserved?

Commission Policy Direction: The Commission voted 2:1 to use a zoning designation that would be applied to the open space created through the RCD Program for an indefinite period of time. Future Commissions could consider zone map amendments on those properties at a future date that may allow further development.

B. Based on the response to 3.B above, should there be a change to the established maximum density (one unit per 40-acres) for RCD projects? Commission Policy Direction: The Commission voted unanimously to keep the maximum density for RCD projects at 1:40 for the purpose of drafting the Regulations, but to be open to the idea of reconsidering the density bonus at a later date.

5. Transfer of Development Rights Program.

A. Are they development rights (TDRs) or are they development credits (TDCs)?

<u>Commission Policy Direction:</u> The Commission voted unanimously to use development credits (TDC) instead of development rights (TDR).

B. Are deed restrictions associated with the County's TDR/TDC Program going to be in perpetuity, limited to a specified length of time (term deed restriction), or "decoupled"?

Commission Policy Direction: The Planning Director, Greg Sullivan, clarified the Staff Report and explained that the Solimar Report included two ways to "decouple" development rights. The first option is to encumber the "sending property" with a term restriction after the TDCs are transferred off of it, and the second option was to issue TDCs through a value-based allocation, but not require any further development restriction on the "sending property".

The Commission voted unanimously to "decouple" TDCs.

The Commission voted unanimously to use value-based allocation and not use term restrictions on "sending properties".

The Commission voted unanimously that landowners must retain the appropriate number of TDCs to accommodate future development plans for their property. (In other words, if a landowner wants to put four homes on their property through the RCD Program, they must keep at least four TDCs, but may sell off the rest.)

The Commission voted 2:1 to reduce the TDC transfer ratio (the number of dwelling units allowed to be built in the receiving area per development credit transferred in) from 4:1 to 2:1 based on the recommendation in the Solimar TDR Study.

C. Should intra district transfers be allowed within receiving areas?

Commission Policy Direction: The Commission voted unanimously to allow intra-district transfers of development rights within the Bozeman Donut at a 1:1 ratio. This topic will be reconsidered on a case-by-case basis as additional receiving areas are established.

D. What paths should exist to allow development in receiving areas to achieve increased density?

Commission Policy Direction: The Commission voted 2:1 to stick with policy decision they made on this topic from September of 2006, but for Staff to verify the legality of that decision. That policy decision was specific to the Bozeman Donut and is shown below.

9/21/2006 POLICY DECISION: Commissioners voted 3:0 to eliminate opportunity to rezone property to higher densities. Commissioners voted 3:0 to include the standard development option of one unit per acre in the Residential Suburban District.

E. Does the County want to employ a mechanism to assure buyers and sellers can find one another?

Commission Policy Direction: The Commission voted unanimously not to create a bank or clearinghouse for TDCs. The rational was that this is an opportunity for the private sector to get involved with the TDC market and create either a TDC bank or TDC clearinghouse. If the private sector doesn't step forward with interest to do so, the Commission agreed they may need to revisit the topic.

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